



COUNTY OF LOS ANGELES
DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

900 SOUTH FREMONT AVENUE
ALHAMBRA, CALIFORNIA 91803-1331
Telephone: (626) 458-5100
<http://dpw.lacounty.gov>

GAIL FARBER, Director

ADDRESS ALL CORRESPONDENCE TO:
P.O. BOX 1460
ALHAMBRA, CALIFORNIA 91802-1460

September 29, 2009

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

38

September 29, 2009

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

Dear Supervisors:

**AMENDMENT NO. 2 TO LEASE AGREEMENT NO. 74741 BETWEEN
THE COUNTY OF LOS ANGELES AND RICHARD S. COULTER FOR
THE CONSTRUCTION OF COMMERCIAL AIRCRAFT HANGARS AT
WHITEMAN AIRPORT IN PACOIMA
(SUPERVISORIAL DISTRICT 3)
(4 VOTES)**

SUBJECT

This action is to approve and instruct the Chairman to sign an amendment to Lease Agreement No. 74741 between the County of Los Angeles and Richard S. Coulter for construction of commercial aircraft hangars at Whiteman Airport in Pacoima.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Find that this lease amendment is exempt under the California Environmental Quality Act, Section 15302(b).
2. Approve and instruct the Chairman to sign this Lease Amendment No. 2 to Lease Agreement No. 74741 between the County of Los Angeles and Richard S. Coulter for the lease of land for construction of commercial aircraft hangars.
3. Instruct the Director of Public Works or her designee to make the necessary arrangements with the County of Los Angeles' contract airport manager and operator for the collection of all rents to be paid.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of the recommended action is to allow private development of additional hangar space to accommodate commercial, aeronautical service providers, and/or aircraft storage, office space, ramp area for aircraft staging and parking, and vehicle parking space.

Implementation of Strategic Plan Goals

The Countywide Strategic Plan directs the provision of Community and Municipal Services (Goal 3). This action will provide a commercial hangar facility for airport businesses, will support the strategy of providing quality public works infrastructure to our communities, and will support our strategy of fiscal responsibility by using funds from outside sources to increase the County of Los Angeles' (County) funding sources.

FISCAL IMPACT/FINANCING

There will be no impact to the County General Fund. All costs associated with this development will be the responsibility of the lessee. The monthly rental rate, including the increased, unimproved land area, will be \$4,319.86, with annual rent adjustments based on the Consumer Price Index. The County's management contractor, American Airports Corporation, will collect the revenue for this lease and distribute 45 percent of the lease payments into the Aviation Enterprise Fund. The developer will sublet the aircraft storage hangars, and the County will not share in this revenue. At the end of the lease term, ownership of the aircraft storage hangars will revert to the County, and the County will receive 45 percent of the rental revenue, as provided for in the contractor's Airport Management Contract.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On August 13, 1991, your Board approved the Master Plan. The approved Master Plan recommends additional hangar space to accommodate the rising demand for aircraft maintenance and storage. Approval of this lease amendment will allow for the redevelopment of the underutilized property into an airport-compatible use. This development will increase airport revenues by leasing underutilized land at the standard rate for airport uses. The lease amendment is consistent with the adopted Master Plan and will provide for the development of commercial hangars to the airport business community.

The terms of this lease amendment were negotiated by the County's airport management contractor and appear to be fair and reasonable.

This Lease Amendment No. 2 has been reviewed and approved as to form by County Counsel.

ENVIRONMENTAL DOCUMENTATION

The California Environmental Quality Act (CEQA) requires public agency decision makers to document and consider the environmental implications of their actions. The proposed project is categorically exempt pursuant to Class 2 (a) of the Environmental Reporting Procedures and Guidelines adopted by your Board on November 17, 1987, and Section 15302(b) of the CEQA guidelines.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of this lease amendment will result in an increase of commercial aircraft hangar space available to the business community at Whiteman Airport. The development of the underutilized property into an airport-compatible use will increase the airport revenue stream to the County and reduce maintenance costs.

CONCLUSION

Please return four adopted copies of this letter to the Department of Public Works, Aviation Division.

Respectfully submitted,

A handwritten signature in black ink that reads "Gail Farber". The script is cursive and fluid.

GAIL FARBER

Director

GF:RLS:hz

Enclosures

c: Auditor-Controller
Chief Executive Office (Lari Sheehan)
County Assessor
County Counsel (Adrienne Byers)
Executive Office

AMENDMENT NO. 2 TO LEASE AGREEMENT NO. 74741
TO PROVIDE FOR THE LEASING OF ADDITIONAL LAND AT
WHITEMAN AIRPORT, PACOIMA, CALIFORNIA

THIS AMENDMENT NO. 2 TO LEASE AGREEMENT NO. 74741 for the
leasing of additional land at Whiteman Airport is made and entered into this
29th day of September, 2009 (COMMENCEMENT DATE),

BY AND BETWEEN

COUNTY OF LOS ANGELES, a body
corporate and politic (hereinafter referred to as
COUNTY),

AND

RICHARD S. COULTER (hereinafter referred
to as LESSEE),

WITNESSETH:

WHEREAS, COUNTY and APIP 60, LLC entered into Lease Agreement
No. 74741 on January 20, 2004, for 38,950 square feet of improved land for the
construction, development, and management of a hangar and office facility at
Whiteman Airport, Pacoima, California; and

WHEREAS, Lease Agreement No. 74741 was assigned to Richard S.
Coulter (LESSEE) on March 15, 2004; and

WHEREAS, Lease Agreement No. 74741 was amended on February 1,
2005, to provide LESSEE with an additional 3,220 square feet of unimproved
land to be used as vehicle and equipment parking; and

WHEREAS, LESSEE desires to lease an additional 39,500 square feet of
improved land for the construction, development, and management of additional
hangar space to accommodate the United States Marshals Service Technical
Operations Group, commercial aeronautical service providers, and/or aircraft
storage, office space, ramp area for aircraft staging and parking, and vehicle
parking space (the PROJECT); and

WHEREAS, the COUNTY desires to lease said additional premises to
LESSEE.

NOW, THEREFORE, in consideration of the payment of rental and
performance of the terms, covenants, and conditions hereinafter contained, to be

kept and performed by the respective parties hereto, Lease Agreement No. 74741 shall be amended as follows:

1. **SECTION 2 – LEASED PREMISES** is amended to add the following subsection:
 - 2.1.2 Improved land area consisting of approximately 39,500 square feet, as shown in Exhibit A-2 attached hereto and made a part hereof.
2. **SECTION 3 – USE OF LEASED PREMISES** is deleted in its entirety and replaced with the following:
 - 3.1 The LESSEE shall continuously occupy and may use the Leased Premises for the following purposes and for no other purpose whatsoever:
 - 3.1.1 For the construction, repair, maintenance and operation of aircraft hangar, office, apron, and vehicle parking space;
 - 3.1.2 For the subleasing of hangar space and apron area for aircraft storage;
 - 3.1.3 For the subleasing of office space for aviation-related use;
 - 3.1.4 For commercial aeronautical services to include:
 - 3.1.4.1 aircraft rental and/or flight training;
 - 3.1.4.2 aircraft charter and/or management;
 - 3.1.4.3 avionics, and/or aircraft or instrument maintenance;
 - 3.1.4.4 aerial tours, photography, reporting, and/or patrol;
 - 3.1.4.5 sale of aircraft parts, components, and accessories;
 - 3.1.4.6 sale of pilot supplies and accessories;
 - 3.1.4.7 sale of aviation insurance;
 - 3.1.4.8 sale of new and/or used aircraft;
 - 3.1.5 For the parking of automobiles and other vehicles operated by officers, employees, invitees, and business visitors of LESSEE and sublessees, but not for vehicle storage;

- 3.1.6 For its business and operations offices in connection with purposes authorized herein;
 - 3.1.7 For the use of hangar space to store LESSEE's own aircraft; and
 - 3.1.8 For any other activities directly related to activities permitted hereunder and other uses that may hereafter be permitted and authorized by COUNTY in writing. LESSEE shall not use the Leased Premises, or any portion thereof, for any other purpose unless COUNTY or Manager approves such use in advance, in writing, said authorization not to be unreasonably withheld. The COUNTY reserves the right to charge standard rates and fees for other uses they may permit.
3. **SECTION 4 - RENTS AND FEES** is amended to include the additional land rent due and payable for the 39,500 square feet of improved land. Upon Board of Supervisors approval of Amendment No. 2, the monthly rent will be \$4,319.68. LESSEE shall receive a monthly rental abatement in the amount of \$1,145.50 for the first six (6) months immediately following the COMMENCEMENT DATE of Amendment No. 2. LESSEE shall have 365 days from the Commencement Date of Amendment No. 2 to complete construction (defined as the receipt of the Certificate of Occupancy) of the PROJECT. In the event the PROJECT is not completed within that time period, LESSEE shall pay to COUNTY in addition to the unabated monthly rent a penalty in the amount of \$2,159.84, payable each month, until the PROJECT is completed.
4. **SECTION 6.1** notwithstanding Security Deposits already provided by LESSEE, as provided for in Lease Agreement No. 74741 and as amended by Amendment No. 1, the Security Deposit pertinent to the improvements contemplated by this Amendment No. 2 shall be \$27,492. Retention by COUNTY or its Manager of any portion of this Security Deposit shall be consistent with subsections 6.1.1 and 6.1.2 therein.
5. **SECTION 8 – DEVELOPMENT PLANS AND SPECIFICATIONS** is amended to include the addition of section 8.1.1, which states the following:
- 8.1.1 LESSEE shall construct five (5) hangars of approximately 15,760 square feet in total and approximately 2,775 square feet of office space as shown in Exhibit A-2 and described in Exhibit C-2.
6. **SECTION 16 – RULES AND REGULATIONS** is amended by the addition of the following subsection:

- 16.2 LESSEE acknowledges Minimum Standards for Aeronautical Activities, as may be established and amended from time to time by COUNTY, are part of the rules and regulations.
7. **SECTION 31 – NOTICES** is deleted in its entirety and replaced by the following:
- 31.1 All notices, consents, and approvals required or desired to be given by the parties hereto shall be sent in writing and shall be deemed sufficiently given when same is deposited in the United States Mail, sufficient postage prepaid, registered or certified mail, return receipt requested, addressed to the recipient at the address set forth below:
- COUNTY: Chief, Aviation Division
Los Angeles County Department of Public Works
P.O. Box 1460
Alhambra, CA 91802-1460
- MANAGER: Airport Manager
Whiteman Airport
12653 Osborne Street
Pacoima, CA 91331
- COPY TO: President
American Airports Corporation
2425 Olympic Boulevard, Suite 650 East
Santa Monica, CA 90404
Telephone: (310) 752-0555
- LESSEE: Mr. Richard S. Coulter
3056 Santa Carlotta
La Crescenta, CA 91214
Telephone: (818) 890-7662
E-mail: meglynco@aol.com
8. Exhibits A-2 and C-2 are attached hereto and made a part of Lease Agreement No. 74741.
9. This Amendment No. 2 shall be effective as of the date of approval by the COUNTY Board of Supervisors.
10. It is mutually understood and agreed that all other terms and conditions and provisions of the original Lease Agreement No. 74741 and Amendment No. 1 shall remain in full force and effect, except as herein expressly modified.

IN WITNESS WHEREOF, the LESSEE has executed this Amendment No. 2 to Lease Agreement No. 74741, or caused it to be duly executed, and the County of Los Angeles, by order of its Board of Supervisors, has caused this Amendment No. 2 to be executed on its behalf on the day, month, and year first written above.

COUNTY OF LOS ANGELES

By *Don Krabe*
Chairman, Board of Supervisors

ATTEST:

SACHI A. HAMAI
Executive Officer of the
Board of Supervisors of the
County of Los Angeles



I hereby certify that pursuant to
Section 25103 of the Government Code,
delivery of this document has been made.

SACHI A. HAMAI
Executive Officer
Clerk of the Board of Supervisors

By *[Signature]*
Deputy

By *[Signature]*
Deputy

APPROVED AS TO FORM:

ROBERT E. KALUNIAN
Acting County Counsel

By *[Signature]*
Deputy

AGREED:

RICHARD S. COULTER

[Signature]
Lessee

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

38 SEP 29 2009

Sachi A. Hamai
SACHI A. HAMA
EXECUTIVE OFFICER

74741 Supplement No. 2

ALL-PURPOSE ACKNOWLEDGMENT

State of California)

County of Los Angeles)

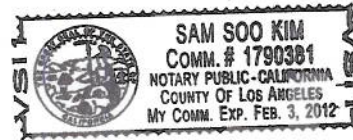
On AUGUST 26, 2009 before me, Sam Soo Kim, Notary Public, personally appeared
RICHARD SAWTELLE COULTER

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/~~are~~ subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the same in his/~~her/their~~ authorized capacity(ies), and that by his/~~her/their~~ signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal

Signature /// [Signature] (Seal)



OPTIONAL INFORMATION

The information below is not required by law. However, it could prevent fraudulent attachment of this acknowledgment to an unauthorized document.

CAPACITY CLAIMED BY SIGNER (PRINCIPAL)

- ☒ INDIVIDUAL
☐ CORPORATE OFFICER

TITLE(S)

- ☐ PARTNER(S)
☐ ATTORNEY-IN-FACT
☐ TRUSTEE(S)
☐ GUARDIAN/CONSERVATOR
☐ OTHER: _____

DESCRIPTION OF ATTACHED DOCUMENT

AMENDMENT NO. 2
TITLE OR TYPE OF DOCUMENT

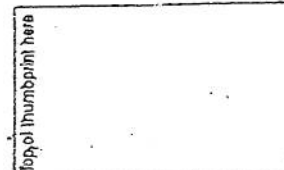
SEVEN
NUMBER OF PAGES

NO
DATE OF DOCUMENT

NO OTHER SIGN
OTHER

SIGNER IS REPRESENTING:
NAME OF PERSON(S) OR ENTITY(IES)

RIGHT THUMBPRINT
OF
SIGNER



A DAY ARCHITECTS
150 East Meola Ave, Suite 230
Glendora, CA 91741
626-963-4044

COLTIER HANGER
WHITEMAN AIRPORT
27855 CHISHOLM ST. PACIFICA, CA
94043

1/4" = 1'-0"
A-1.0

01

EXHIBIT C-2
Description of Improvement to Be Built

1. Obtain a survey of the Leased Premises and a legal description.
2. Submit plan including cost estimates for approval.
3. Coordinate all utility service requirements. Lessee will provide for and make all arrangements for all water, electrical, and sewer services at its sole expense.
4. Construct hangar, office, apron, and vehicle parking area consistent with Exhibit A-2.
5. Construction requirements: Plan approval, permits required, supervision, and quality of construction are contained in construction specifications.
6. Secure all necessary approvals from the necessary agencies.
7. Provide a landscape plan to the Airport Manager for approval prior to start of construction.
8. Payment for Improvements/Oversight Fee. Lessee shall make all payments directly to contractors, and Lessee shall provide Lessor with final lien releases and waivers in connection with Lessee's payment for work to contractors. In addition to the cost of such work, Lessee shall pay to Lessor a fee for Lessee's use of Lessor's personnel involved with the supervision, coordination, inspection, and the like pertaining to the improvements to be built. Said fee shall be three quarters of a percent (0.0075%) of the hard construction cost of the hangar and office space, not the tenant improvements. Such fee shall be payable by Lessee in equal installments over the proposed construction term, or six (6) months, whichever is less, after rendition of an invoice therefore.
9. Lessee shall fully comply with Section 5 of Lease Agreement No. 74741 for the Project.